

# Australian Public Opinion on the PRC: Complexities, Contradictions and Lessons for Policymakers

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*Whether you believe the Australian government should build stronger ties with the People's Republic of China (PRC) or take a harder line on the PRC, the recently released [UTS:ACRI/BIDA Poll 2023](#) reveals that a majority of Australians agree with you.*

The poll results demonstrate the complexities and contradictions in how the Australian public thinks the Australian government and businesses should approach the PRC. They also show that sometimes impressions are not based on evidence or developments.

For instance, more than half of Australians (55 percent) believe that the Australian government should adopt a harder line in its dealings with the PRC and that military conflict with PRC within three years is a serious possibility (51 percent). Yet at the same time, 61 percent also believe that Australia should continue to try to build strong connections and ties and have a strong relationship with the PRC.

This means that even though Australians may believe that the two countries are heading towards war, they still support a strong bilateral relationship. Normally, if two countries were headed to a conflict or confrontation, even if purely economically, they would aim to reduce their ties and become more self-reliant. This is one of the [arguments](#) for 'decoupling' or 'de-risking' from the PRC, which some governments around the world are actively pursuing.

As it is a poll, the precise reasoning behind why most Australians support strong ties with the PRC despite the supposed impending military conflict is unclear. For example, do some believe that a stronger relationship would reduce the risk of a war? Or perhaps

Australia should try to reap as much benefit from the relationship as possible before a war?

For policymakers, following the will of the majority on this issue would be most challenging. It is almost impossible to both adopt a harder line on the PRC as well as build stronger ties with the PRC. Adopting a harder line on the PRC will make Beijing less willing to cooperate with Australia, which will lead to weaker ties between the two countries. It is unclear whether most Australians would still support adopting a harder line if the full consequences were considered.

The poll results reflect the problem that people tend to want more of everything, but the difficulty lies in considering the trade-offs when there are multiple, often competing, priorities.

The complexities and contradictions are also acute on the economic front.

The majority of Australians (72 percent) believe that Australia is too economically reliant on the PRC. Further, 47 percent of Australians believe that the PRC is more of an economic risk than an economic opportunity. At the same time, just over six in 10 Australians also believe that Australian companies should continue to pursue business opportunities with the PRC, and more Australians agree than disagree with the view that the Australian government needs to be supportive of having closer economic ties with the PRC (47 percent and 23 percent, respectively).

If Australian businesses pursue more opportunities with the PRC and the Australian government encourages closer economic ties with the PRC, it will almost certainly make Australia more economically reliant on the PRC.

Of course, the government could encourage diversification, which successive governments have articulated as an economic priority. Expanding economic links with other countries at a faster rate than with the PRC would reduce Australia's reliance on the nation. On this, 44 percent of Australians agreed that the Australian government has been successful in reducing Australia's economic exposure to the PRC while only 21 percent disagreed.

Yet, the evidence is more mixed. The PRC remains Australia's biggest trading partner by far. In fact, despite geopolitical tensions, the economic and trade links between the two countries have grown in the last couple of years, hitting record highs. Total trade [grew](#) by 14 percent in 2021 and another six percent in 2022. While the PRC's share of Australia's total trade has indeed decreased over the last three years, it was only by

three per cent — from 30.7 percent in 2019 to 27.5 percent in 2022. And that figure is [trending up](#) again this year.

The Australian government has been doing a much better job at creating an impression of successful diversification than actual diversification.

Some beliefs held by the Australian population are more troubling.

For instance, 73 percent of Australians believe that foreign buyers from the PRC drive up Australian housing prices. Fifty percent of Australians believe that international students from the PRC mean there are less places for domestic students to study in their choice of Australian university.

[Research](#) has shown that foreign buyers from the PRC are not the cause of increased house prices. In fact, in recent years, house prices have grown the fastest when foreign investment was [falling](#). Similarly, international students, who pay full fees, do not take places away from Australian students. Instead, the number of places for domestic students is mostly [determined](#) by government funding.

Popular perceptions such as these indicate people from the PRC have become a scapegoat for a variety of Australia's domestic troubles.

On top of this, 43 percent of Australians believe that Australians of Chinese origin can be mobilised by Beijing to undermine Australia's interests and social cohesion, a slow [increase](#) over the [past](#) three years. These perceptions can easily lead to suspicions and hostility towards people of Chinese heritage and indeed all Asian people, especially if geopolitical tensions continue.

In managing both social cohesion and the bilateral relationship, policymakers need to carefully consider when to address certain perceptions and when to follow the will of the majority.

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